

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON APPROPRIATIONS**

**Call to Order:** By **CHAIRMAN STEVE VICK**, on February 15, 2001 at 3:15 P.M., in Room 102 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Steve Vick, Chairman (R)  
Rep. Dave Lewis, Vice Chairman (R)  
Rep. Matt McCann, Vice Chairman (D)  
Rep. John Brueggeman (R)  
Rep. Rosalie (Rosie) Buzzas (D)  
Rep. Tim Callahan (D)  
Rep. Edith Clark (R)  
Rep. Stanley Fisher (R)  
Rep. Dick Haines (R)  
Rep. Joey Jayne (D)  
Rep. Dave Kasten (R)  
Rep. Christine Kaufmann (D)  
Rep. Monica Lindeen (D)  
Rep. Jeff Pattison (R)  
Rep. Art Peterson (R)  
Rep. Joe Tropila (D)  
Rep. John Witt (R)

**Members Excused:** Rep. Bob Davies (R)

**Members Absent:** None.

**Staff Present:** Paula Broadhurst, Committee Secretary  
Taryn Purdy, Legislative Branch

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: HB 525 HB 526, 2/13/2001  
Executive Action: None.

**HEARING ON HB 526**

**Sponsor:** Rep. Gary Branae, HD 17.

**Proponents:** Stephanie Gray, Director of Education Employment Programs, District #9; Sharon Cavanaugh, Emerson Cultural Center; Andy Hunthausen, Career Training Institute in Helena; John Downs, Self; Victor Miller, Blaine County Commissioner; Dan Sullivan, Rocky Mountain Development Center; Carmella Campanian, Billings; Tom Bolan, Director of District #4, HRDC in Havre, Mt.; Michael Munck, CEP Workforce Investment Board; Les Stevenson, HRDC; Dennise Lorenz, Action for Eastern Montana; Sue Mohr, Director of Montana Job Training Partnership;

**Opponents:** Hank Hudson, Administrator of Human and Community Services Division.

**Informational Witnesses:** None.

**Opening Statement by Sponsor:**

**Rep. Branae** said this bill creates the Montana Summer Youth Employment Program. Prior to last summer there had been a similar program in existence, for 30 years. However, when the Work Force Investment Act was passed, it did not include a Summer Youth Employment Program. This bill attempts to address that situation. The Summer Youth Program offers work experience and life skills, creates career awareness, and academic and remedial training to disadvantaged youth. The program operates from May to September of each year. **EXHIBIT (aph38a01)**.

**Proponents' Testimony:**

**{Tape : 1; Side : A; Approx. Time Counter : 7.6}**

**Stephanie Gray** said she works with youth in helping them find employment and building skills. Some of the employers they work with are Museum of Rockies, MSU, Balyice Garden, Bailey Paving in Belgrade, Meager County Public Television Division, etc. This program connects youth to their communities by placing these youth in jobs where there is a strong community leader. Also, no new agencies have to be developed, there is already an infrastructure in place through the Department of Labor and Industry and through Montana Job Training Partners and all of the work force already in place. Another reason to support this bill is all the money is going to go to the youth.

**Sharon Cavanaugh** said HRDC helped her in getting a job.

**Andy Hunthausen** said they have been a partner in running the Summer Employment Youth Programs over the last several years. The program has helped many youth in Helena, they have been able to help 75-100 youth. It is beneficial for the youth to connect in their community.

**John Downs** said he teaches at Carroll College in the Psychology Department and also works with youth at Career Training Institute. He said a lot of their success is in the employers, they are paternal and maternal in their approach.

**Victor Miller** said he has letters of support from Fort Belknap Community Council and also County Of Liberty for HB 526, **EXHIBIT(aph38a02)**, **EXHIBIT(aph38a03)**. He is here on behalf of Blaine County and Hill County Commissioners to support HB 526. He said this is not viewed in terms of money, but viewed in investment. He has worked with and sponsored youth, he is the boss representative for his area and also the HRDC representative for his county.

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**Dan Sullivan** supports HB 526, **EXHIBIT(aph38a04)**; he handed in a photograph of the last SYEP graduating class of 1999 **EXHIBIT(aph38a05)**. He said many of the youth that participated in Summer Youth Employment do not have healthy stable relationships. They do not have measures to teach them basic values or give them support. Through the program and staff and job supervisors, they are the only positive role model these youth have.

*{Tape : 1; Side : B; Approx. Time Counter : 0.4}*

**Carmella Campanian** said she is a partner in business in Toole County and they are operators of Sage Technical Services in Billings, Mt. She has had the opportunity to work with many youth programs. In particular she has worked with the Career Training Institute and HRDC's, and WYA. As an employer in two counties, 90% of the people that begin working for her are not prepared. These programs provide an opportunity for the youth in various counties and benefit from them.

**Tom Bolan** said he supports HB 526.

**Michael Munck** said he has 11 years working with disadvantaged youth. He thinks it is appropriate to use the TANF money to fund this program. The whole goal is to have temporary expenditures so that these families and the members of them are not on the public roles in the future. **EXHIBIT(aph38a06)**, **EXHIBIT(aph38a07)**.

**Les Stevenson** said he supports HB 526, it is a valuable program.

**Dennise Lorenz** said they have heard from educators and program operators of some of the youth that have benefitted from the program and from employers. She had a son that went through the Youth Employment Program and benefitted from that.

**Sue Mohr** handed out letters of support from Yellowstone County Commissioners and Cherelee Martin from Lewistown, Mt.

**EXHIBIT(aph38a08), EXHIBIT(aph38a09).**

**Opponents' Testimony:**

***{Tape : 1; Side : B; Approx. Time Counter : 15.1}***

**Hank Hudson** said the HRDC's do a wonderful job of administering programs. He said the TANF grant cannot support everybody. The highest and best use of TANF money is not a program to hire youth for summer jobs. The best use of TANF money has been outlined in HB 2.

**Questions from Committee Members and Responses:**

**Rep. Buzzas** asked **Ms. Mohr** how much discretionary money from the Governor's Office they can use. **Ms. Mohr** said there are dollars set aside for what is called the Governor's reserve.

**Rep. Buzzas** asked **Ms. Mohr** if she has had any conversations about that discretionary money in terms of funding this program. **Ms. Mohr** said those funds are off limits.

**Rep. Buzzas** asked **Ingrid Childress, Bureau Chief of Department of Labor** whether 15% of the Workforce Investment Act money is reserved and one-third of that is set aside for administration and the balance is used for activities at the discretion of the Governor. In this current program approximately 14 million comes into the state after the Workforce Investment Act.

**Rep. Lewis** asked **Ms. Gray** how much a youth participant earns in the summer. **Ms. Gray** said they start at minimum wage depending on the placement. They pay at the market rate for that placement.

**Mr. Bolan** said in Hill, Blaine and Liberty County each youth averages between \$800 and \$1000 take home pay per summer.

**Rep. Lewis** asked **Mr. Bolan** if there are high overhead costs for this program. **Mr. Bolan** said in the past they have run a remedial education program along with the employment, as well as

job skills training. It was staffed with some of the Summer Programs dollars.

**Rep. Kasten** asked **Mr. Bolan** whether, in eastern Montana, they were using less than \$1,600 per participant when this program was in place. What was the difference between eastern Montana and the rest of the state. **Mr. Bolan** said that was similar to the program they had in Havre and two-thirds of the funding went to actual work experience and about one-third went to education remediation.

**Rep. Kasten** informed **Mr. Hudson** they have a survey that was done several years ago in the state and the employers would love to have the minimum wage eased up and also insurance. He asked if there was any effort in this area. **Mr. Hudson** said they have not addressed minimum wage and insurance programs issues for children or adults.

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**Rep. Jayne** asked **Mr. Hudson**, about the figures he gave to the committee and if they are the funds that are in the unused TANF funds. **Mr. Hudson** said no, these are funds that will come out of current year block grant as would the findings from this report.

**Rep. Vick** asked **Rep. Branae** on Page 2, Line 23, why an offender would be a priority. **Rep. Branae** said he feels an offender sometimes needs a chance and it would depend upon the situation. In terms of prioritizing, he would have to look at the individual situation.

**Rep. McCann** asked **Rep. Branae** if this program existed last year. **Rep. Branae** said it did not exist as it had existed in the past, there were some scaled down versions in different places where they would run a skeleton program.

**Rep. McCann** asked **Ms. Mohr** what the program cost last year. **Ms. Mohr** said the program varied over the last ten years between 2.5 million and 3 million dollars per year.

**Rep. McCann** asked **Ms. Mohr** about education remediation and youth employment. **Ms. Mohr** said the magic of the program is the ability to take that education piece and combine it directly with training.

**Closing by Sponsor:**

**Rep. Branae** said when looking at this program, there were a few things to consider, is it a good deal and in his opinion it is.

The question is using TANF dollars to fund it. He feels this would be a wise investment and a good use of TANF funds.

*{Tape : 2; Side : A; Approx. Time Counter : 10.4}*

HEARING ON HB 525

Sponsor: Rep. Dave Kasten, HD 99.

Proponents: None.

Opponents: Lance Melton, Montana School Boards Association; Eric Feaver, MEA-MFT.

Informational Witnesses: Terry Johnson, Legislative Fiscal Division.

Opening Statement by Sponsor:

Rep. Kasten said this bill would set appropriation limitation. He discussed sections of the bill. **EXHIBIT**(aph38a10).

Proponents' Testimony: None.

Opponents' Testimony:

*{Tape : 2; Side : A; Approx. Time Counter : 13.8}*

Lance Melton said they oppose this bill, **EXHIBIT**(aph38a11).

Eric Feaver said they oppose this bill, it is unnecessary to control the budgetary process.

Informational Witnesses' Testimony:

Terry Johnson handed out a fact sheet in terms of the summarization of what HB 525 actually does, **EXHIBIT**(aph38a12). He spoke on the provisions of HB 525 and how the process would work.

Questions from Committee Members and Responses:

Rep. Lewis asked Mr. Feaver if his major concerns with this bill were that he believes it turns over control of the process to the minority. Mr. Feaver said yes that was a concern.

**Rep. Jayne** asked **Rep. Kasten** why there was a need for a change.

**Rep. Kasten** said something has to be done with the budget limitation that was in place.

*{Tape : 2; Side : B; Approx. Time Counter : 13.4}*

**Rep. Buzzas** asked **Mr. Kasten** if he could explain emergency designation for additional funding. **Mr. Kasten** said he would call it an escape clause, and the Governor has the ability to reduce the budget in certain areas.

**Rep. Vick** said he is greatly encouraged that Mr. Feaver has confidence in this committee and has encouraged us to control spending and they will do their best to live up to expectations.

**Closing by Sponsor:**

**Rep. Kasten** said in this large state with few people, budgets continue to go up and up. He urged support of HB 525.

**ADJOURNMENT**

Adjournment: 5:00 P.M.

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REP. STEVE VICK, Chairman

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PAULA BROADHURST, Secretary  
Transcribed by Donna Huffman

SV/PB/DH

**EXHIBIT (aph38aad)**